

# KENTUCKY AGRI-NEWS



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**FEATURING :**      ★ Crop Production      ★ Dairy Products      ★ Value Added

## NOVEMBER CROP PRODUCTION

### U.S. HIGHLIGHTS

**Corn production** was forecast at 11.7 billion bushels, up 1 percent from last month and 16 percent above 2003. If realized, this would be the largest production on record.

**Corn yields** were expected to average 160.2 bushels per acre, up 1.8 bushels from October and 18.0 bushels above last year. If realized, this would be the largest yield on record.

**Soybean production** was forecast at 3.15 billion bushels, up 1 percent from October and 28 percent above 2003. If realized, this would be the largest soybean crop on record.

**Soybean yields** were expected to average a record high 42.6 bushels per acre, up 0.6 bushel from October and 8.7 bushels above last year.

### KENTUCKY

Fall harvesting of corn and soybeans were rapidly advancing this fall until halted and then slowed in mid-October by wet weather. Harvesting has continued since but at a slower pace due to increased moisture level in the grains to be harvested. Seeding of winter wheat has also been limited by wet soil conditions. Farmers have been actively stripping their tobacco as wet weather continued to bring the crop into case. Stripped tobacco was in good to fair condition and most farmers expect to make their production quota.

**Corn for grain** production was forecast at 166.5 million bushels, unchanged from the October 1 estimate and up 13 percent from the 2003 crop. Yield remained unchanged at 150 bushels per acre, a record high and 13 bushels above the 2003 crop. Harvesting weather this fall was ideal through mid-October when harvesting was slowed by rainy conditions. As of November 7, 97 percent of the crop had been harvested. Farmers are reporting a good quality corn crop.

**Soybean** production was forecast at a record high 54.2 million bushels, unchanged from the October 1 estimate. Yield was estimated unchanged at 42 bushels per acre. The November 1 estimate was 1.5 bushels below the record high yield of 2003. Farmers continue to harvest their record soybean crop. As of November 7, 61 percent of the crop had been harvested. This was behind 80 percent last year and 83 percent for the 5-year average. Since mid-October harvesting has been slowed by wet weather. Late maturing soybeans were not hurt by frost this year. Quality going into harvest was good but there is concern that delayed harvesting due to wet weather conditions may adversely affect quality of soybeans remaining to be harvested.

This is the last forecast for corn and soybean production for the 2004 crop season. The next estimates will be final production to be released on January 12, 2005. Burley and dark tobacco production forecasts ended with the October 1 forecast and the next production estimates for tobacco will be released on January 12. A special thank-you to all individuals that participated in helping to make our monthly yield estimates possible.

## CROP PRODUCTION

### CROP SUMMARY, NOVEMBER 1 KENTUCKY AND UNITED STATES, 2003 - 2004

CROPS	UNIT	ACREAGE HARVESTED		YIELD PER ACRE		PRODUCTION		
		2003	2004	2003	2004	2003	2004	
			Indicated		Indicated		Indicated	% of '03
		(Thousand)				(Thousand)		
KENTUCKY								
Corn for Grain	Bu.	1,080	1,110	137.0	150.0	147,960	166,500	113
Soybeans for Beans	Bu.	1,240	1,290	43.5	42.0	53,940	54,180	100
UNITED STATES								
Corn for Grain	Bu.	71,139	73,311	142.2	160.2	10,113,887	11,740,920	116
Soybeans for Beans	Bu.	72,476	73,990	33.9	42.6	2,453,665	3,150,441	128

## U. S. DAIRY PRODUCTS, SEPTEMBER 2004

PRODUCT	September 2003	August 2004 <u>1/</u>	September 2004	Percent of Sept Aug 2003 2004	
(000) Pounds			Percent		
<b>BUTTER</b>	73,267	88,618	92,200	126	104
<b>CHEESE</b>					
American Types <u>2/</u>	292,222	298,615	293,729	101	98
Mozzarella	225,454	230,943	226,258	100	98
All Other Types <u>3/</u>	191,032	184,443	197,826	104	107
Total	708,708	714,001	717,813	101	101
(000) Gallons			Percent		
<b>FROZEN PRODUCTS</b>					
Ice Cream (Hard)	73,398	73,422	70,680	96	96
Frozen Yogurt (Total)	5,818	6,023	5,418	93	90
<b>MIX FOR FROZEN PRODUCTS</b>					
Ice Cream Mix	44,061	42,118	39,647	90	94
Yogurt Mix	3,487	3,543	3,187	91	90

1/ Revised. 2/ Includes Cheddar, Colby, Monterey, and Jack. 3/ Includes Swiss, cream and all other types. Excludes cottage cheese.

## KENTUCKY CROPS RANKED BY 2003 VALUE OF PRODUCTION

RANK	COMMODITY & UNIT	2002 CROP YEAR <u>1/</u>		2003 CROP YEAR		CHANGE IN VALUE
		Price Per Unit	Total Value	Price Per Unit	Total Value	
		(Dollars)	(1,000 Dollars)	(Dollars)	(1,000 Dollars)	(03 as % of 02)
1.	Hay, All, baled, ton	68.50	351,268	78.50	500,438	142
2.	Tobacco, All, lb.	2.015	449,320	2.027	456,077	102
3.	Soybeans (beans), bu.	5.74	244,352	7.60	405,232	166
4.	Corn (for grain), bu.	2.58	287,102	2.55	377,298	131
5.	Wheat, All, bu.	3.01	51,652	3.25	66,495	129
6.	Sorghum (grain), bu.	2.62	1,965	2.46	7,478	381
7.	Commercial Apples, lb.	.318	1,272	.327	2,322	183
8.	Barley, bu.	1.51	687	1.80	1,080	157
9.	Peaches, lb.	.545	654	.557	1,003	153
TOTAL			1,388,272		1,817,423	131

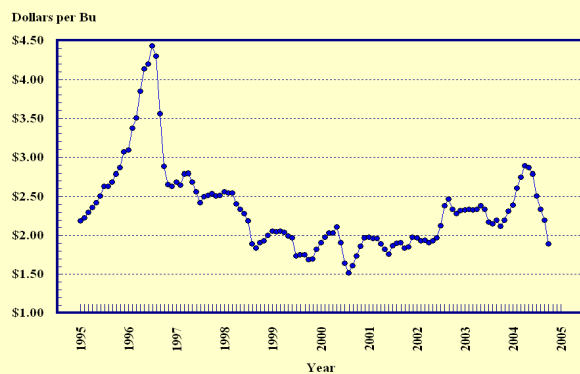
1/Revised.

# VALUE ADDED TO THE KENTUCKY ECONOMY BY THE AGRICULTURAL SECTOR VIA THE PRODUCTION OF GOODS AND SERVICES, 2000 - 2003 <sup>1/</sup>

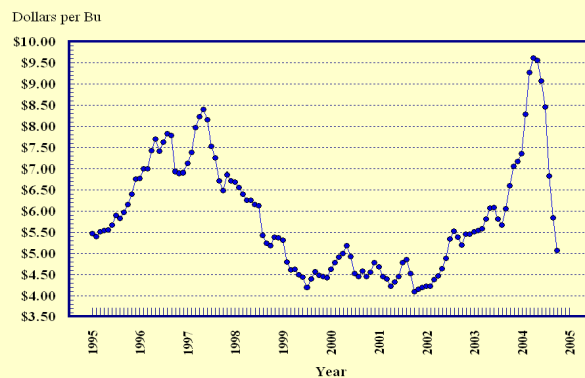
Item	2000 <sup>2/</sup>	2001 <sup>2/</sup>	2002 <sup>2/</sup>	2003
	(1,000 Dollars)			
Value of crop production	1,476,453	1,209,025	1,051,884	1,338,880
Food grains	56,635	62,963	59,110	60,268
Feed crops	306,609	348,068	345,331	340,383
Cotton	0	0	0	0
Oil crops	142,745	202,014	257,820	305,640
Tobacco	674,469	566,276	443,031	431,177
Fruits and tree nuts	4,439	4,939	5,062	5,870
Vegetables	12,000	14,000	15,000	17,000
All other crops	66,016	66,405	67,459	82,962
Home consumption	7,872	6,086	4,121	8,782
Value of inventory adjustment <sup>3/</sup>	205,668	(61,726)	(145,050)	86,798
Value of livestock production	2,398,506	2,290,753	2,038,485	2,181,083
Meat animals	630,469	594,103	486,223	610,572
Dairy products	229,080	263,736	208,560	192,022
Poultry and eggs	473,755	599,265	509,934	613,204
Miscellaneous livestock	1,045,267	806,452	768,074	809,905
Home consumption	2,778	3,117	2,111	4,498
Value of inventory adjustment <sup>3/</sup>	17,157	24,080	63,583	(49,118)
Revenues from services and forestry	728,739	711,661	731,004	778,903
Machine hire and customwork	20,084	16,367	28,618	27,864
Forest products sold	180,000	170,000	160,000	155,000
Other farm income	221,094	198,527	197,370	250,467
Gross imputed rental value of farm dwellings	307,561	326,767	345,016	345,572
Value of agricultural sector production	4,603,697	4,211,439	3,821,373	4,298,866
(less) Purchased inputs	1,900,367	1,796,968	2,052,541	1,983,095
Farm origin	613,737	597,243	742,820	594,143
Feed purchased	390,977	384,507	491,325	337,294
Livestock and poultry purchased	135,539	122,986	122,999	116,639
Seed purchased	87,221	89,750	128,496	140,210
Manufactured inputs	437,909	427,296	447,619	446,793
Fertilizers and lime	203,125	194,851	197,082	185,154
Pesticides	79,953	79,494	82,231	83,638
Petroleum fuel and oils	125,518	118,881	135,062	124,906
Electricity	29,313	34,070	33,244	53,095
Other purchased inputs	848,721	772,429	862,102	942,159
Repair and maintenance of capital items	211,076	200,571	253,090	201,255
Machine hire and customwork	30,548	25,725	23,669	28,317
Marketing, storage, and transportation expenses	117,282	117,511	114,789	130,281
Contract labor	74,362	45,828	73,523	102,190
Miscellaneous expenses	415,453	382,794	397,031	480,116
(plus) Net government transactions	365,076	209,308	44,951	52,067
+ Direct Government payments	448,473	293,379	137,901	146,890
- Motor vehicle registration and licensing fees	10,500	10,669	13,052	11,164
- Property taxes	72,897	73,402	79,898	83,659
Gross value added	3,068,406	2,623,779	1,813,783	2,367,838
(less) Capital consumption	610,995	623,528	629,027	628,519
Net value added	2,457,411	2,000,251	1,184,756	1,739,319
(less) Payments to stakeholders	780,313	769,879	774,044	875,617
Employee compensation (total hired labor)	193,422	243,390	301,850	286,422
Net rent received by nonoperator landlords	297,778	264,710	213,380	324,743
Real estate and nonreal estate interest	289,113	261,779	258,814	264,452
Net farm income	1,677,098	1,230,372	410,712	863,702

<sup>1/</sup>Value of agricultural sector production is the gross value of the commodities and services produced within a year. Net value-added is the sector's contribution to the National economy and is the sum of the income from production earned by all factors-of-production, regardless of ownership. Net farm income is the farm operator's share of income from the sector's production activities. The concept presented is consistent with that employed by the Organization for Economic Cooperation and Development. <sup>2/</sup>Revised. <sup>3/</sup>A positive value of inventory change represents current-year production not sold by December 31. A negative value is an offset to production from prior years included in current-year sales. Negative numbers are shown in parenthesis. Source: Economic Research Service/USDA.

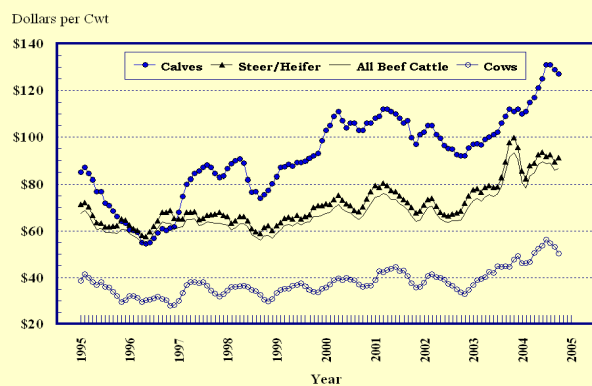
Prices Received, Corn, US



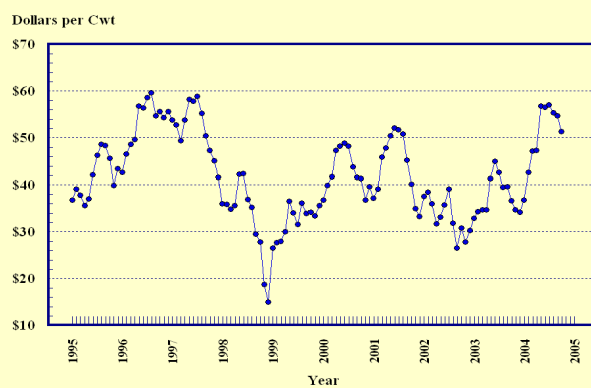
Prices Received, Soybeans, US



Prices Received, Cattle, US



Prices Received, Hogs, US



**Internet Access:** Kentucky Agricultural Statistics Service (KASS) data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the National Agricultural Statistics Service (NASS) homepage located at <http://www.usda.gov/nass/>